

**REGULAR MEETING
of the
CITY OF RIALTO
CITY COUNCIL/REDEVELOPMENT AGENCY
MINUTES
September 27, 2011**

A regular meeting of the City Council/Redevelopment Agency of the City of Rialto was held in the City Council Chambers located at 150 South Palm Avenue, Rialto, California 92376, on Tuesday September 27, 2011.

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This meeting was called by the presiding officer of the Rialto City Council in accordance with the provisions of **Government Code §54956** of the State of California.

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CALL TO ORDER

Mayor Pro Tem Ed Scott called the meeting to order at 5:00 p.m.

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The roll was called and the following were present: Mayor Pro Tem Ed Scott and Council Members Deborah Robertson, Joe Baca Jr. Also present were City Administrator Michael Story, and City Clerk Barbara McGee. Mayor Grace Vargas and Council Member Palmer and were absent.

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CLOSED SESSION

1. Conference with Legal Counsel – Existing Litigation. The City Council and Redevelopment Agency Board will discuss the following pending litigation pursuant to Government Code Section 54956.9(a):

(a) City of Colton v. American Promotional Events, Inc., et al.
United States District Court Case No. EDCV 09-01864 PSG (SSx)

CLOSED SESSION

(b) Hobart G. Truesdell v. City of Rialto, et al.
San Bernardino County Superior Court Case No.: CIVDS1101961

(c) Donald Sipple, et al. v. City of Alameda, et al.
Los Angeles County Superior Court Case No.: BC462270

2. Conference with Labor Negotiator regarding the following
recognized employee organization pursuant to Government
Code Section 54957.6:

Agency negotiator: Brad Neufeld, GSNT

Employee organization: Rialto Police Benefit Association
Police Management Bargaining Unit
Mid-Management Bargaining Unit
General Bargaining Unit
CGMA Bargaining Unit
Fire Management Bargaining Unit
Firefighters Union Local 3688

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Council Member Palmer arrived during the reading of Closed
Session.

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Motion by Council Member Palmer, second by Council Member
Robertson and carried by a 4-0 vote to go into Closed Session at
5:04 p.m. Mayor Vargas was absent.

City Council returned at 6:00 p.m.

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CALL TO ORDER

Mayor Pro Tem Ed Scott called the meeting to order at 6:05 p.m.

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The roll was called and the following were present: Mayor Pro Tem
Ed Scott, Council Members: Ed Palmer, Joe Baca Jr., and
Deborah Robertson. Also present were City Administrator Michael
Story, City Attorney Jimmy Gutierrez and City Clerk Barbara
McGee. Mayor Grace Vargas was absent.

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Pledge of Allegiance and Invocation

Mayor Pro Tem Ed Scott led the pledge of allegiance and Pastor
Harry Bartton – Greater Faith Grace Bible Church gave the
Invocation.

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City Attorney's Report

City Attorney Gutierrez stated the City Council went into Closed Session and discussed the first item – Conference with Legal Counsel on existing litigation under Government Code Section 54956.9. 1(a) The City of Colton v. American Promotional Events. This is the City's perchlorate litigation; the City Council received an update and no action was taken. Item 1(b) Hobart G. Truesdell v. City of Rialto, et al., City Council received a status report and (c) Donald Sipple, et al. v. City of Alameda, et al. a recent case City Council received a status report. Item 3 was Conference with the City's labor negotiator Mr. Brad Neufeld under Government Code Section 54957.6 regarding all employee organizations. City council heard a status report on negotiations. A proposed agreement between the CGMA Bargaining Unit and City Council approved that proposal. The agreement will be prepared and then brought back for all parties to sign.

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Mayor Pro Tem Comments

Mayor Pro Tem Scott stated that it's his assumption that tonight may be a little bit of an emotional night. Some people will have some opinions. He asked that everyone respect those opinions. They have a right to express opinions and views. He would like it quiet in the room when people are speaking. If it gets to appoint where that cannot be maintained, he will clear the Chambers.

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CONSENT CALENDAR

A. WAIVE FULL READING OF ORDINANCES

1. Waive reading in full, all ordinances considered at this meeting.

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B. APPROVAL OF WARRANT RESOLUTIONS

1. Resolution No. 8 (8/26/11)
2. Resolution No. 9 (9/2/11)

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C. APPROVAL OF MINUTES

1. Regular RDA/City Council Meeting – August 23, 2011
2. Regular RDA/City Council Meeting – September 13, 2011

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D. MISCELLANEOUS

1. Request RHA/Redevelopment Agency to adopt **RDA Resolution No. 742** and **RHA Resolution No. 0006-11** adopting a Replacement Housing Plan in regards to the conversion of Residential Unit at 310-316 W. Jackson Avenue as part of the West Jackson Neighborhood Revitalization Project.

CONSENT CALENDAR

D. MISCELLANEOUS

2. Request Rialto Housing Authority to adopt RHA Resolution No. 0007-11 approving the 2010/11 Housing Activity Report for the Rialto Housing Authority.
3. Request City Council to authorize the Police Department to apply for the FY2011 Homeland Security Grant Program (HSGP).

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Motion by Council Member Palmer, second by Council Member Robertson and carried by a 4-0 vote to approve the Consent Calendar as presented. Mayor Vargas was absent.

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OLD BUSINESS

TAB 1 – Second Year of a Two-Year Budget for Fiscal Years 2011/2012

Robb Steel, Economic Development Director stated that this item is the budget for Fiscal Year 2012. In July they submitted the original budget to the City Council and at that time City Council did not adopt the budget but sent staff and selected Council Members to work on proposed cuts and bring back in 60 days to move towards balancing the budget.

Mr. Steel gave a PowerPoint presentation on the budget context.

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City Administrator Mike Story went over the proposed funding savings and how they will achieve that. Operational efficiencies, services and supplies reduction, Reduction in workforce and employee concessions.

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Robb Steel, Economic Development Director gave an overview of the structural deficit.

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Council Member Baca Jr. left the dais at 6:25 p.m. and returned at 6:28 p.m.

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ORAL COMMUNICATIONS

John Peukert, 1550 Shirley Bright, Rialto encouraged the City Council to adopt the Resolution to balance the budget to insure the future of the City. He also asked that cuts be made fairly across the board.

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Wayne Lewis, 19703 Rowan Ave., Rialto, Owner of Amber Steel in Rialto for 55 years, recommended they take the steps to balance the budget.

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ORAL COMMUNICATIONS

Winnie Hanson, 212 E. Valencia Ave., former Council Member stated that she knows how hard these decisions are. Its time they correct their course and adopt the Resolution and get through this.

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Scott Beard, 285 W. Rialto Ave., Rialto expressed his support to the City of Rialto. He finds it shocking that the Fire union is unwilling to work with the City to work through the current financial crisis.

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Richard Burnett, 236 N. Magnolia Ave., Rialto, stated that he supports the plan of action presented by the City Administrator and recommends that City Council adopt that plan.

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Jan Dabney, 285 W. Rialto Ave., expressed his support to the City Administrator's proposed savings plan.

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Karen Burnett, 236 N. Magnolia Ave., expressed her support to the City Administrator's proposed savings plan.

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Dana Fredendall, 213 Meadow Ln, encouraged City Council to accept the recommendation presented.

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Dennis Barton, 1019 S. Clifford Ave., expressed his support of the recommendation presented by the City Administrator.

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Judy Roberts, 2536 W. Loma Vista Dr., expressed her support of the recommendation presented by the City Administrator.

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Mr. Kim Chitwood, 232 N. Sycamore Ave., expressed his support of the recommendation presented by the City Administrator. He stated don't spend reserves chasing a bad situation.

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June Hayes, P.O. Box 2395, Rialto, expressed her support of the recommendation presented by the City Administrator.

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Toni Volinski, 350 S. Willow Ave., Sp. 142, expressed her support of the recommendation presented by the City Administrator.

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Shareef Awad, 904 S. Teakwood Ave., expressed his support of the recommendation presented by the City Administrator.

ORAL COMMUNICATIONS

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Mike Stevens, 425 E. Granada Dr., Rialto, expressed his concern with the City cutting public safety.

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Abel Castaneda, 521 N. Willow Ave., Rialto Firefighter, stated his goal was to live and work in the same community. He expressed his concern with being laid off from the Fire Dept. and his eventual move from the City.

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Daniel Pytel, 1577 W. Persimmon St., expressed his concern regarding possible layoffs of public safety.

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Devore Resident, no form completed, expressed his concern regarding possible layoffs of public safety.

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Michelle Crayne, 1364 N. Eucalyptus Ave., expressed her concern regarding possible layoffs of public safety.

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William Dye, on behalf of his grandmother Rose Patrick, 757 N. Spruce, expressed her concern regarding possible layoffs of public safety.

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John Marini, 11756 Cobblestone, Yucaipa, works for the City of San Bernardino Fire Dept. expressed his concern that possible layoffs will affect mutual aid with bordering cities.

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Josh Gilliam, 35316 Dry Creek Rd. Yucaipa, represents the Rialto Professional Firefighters 3688 Local, expressed his concern regarding layoffs.

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Ricki Estvander Mease, 139 W. Cornell, Rialto expressed her concern on the negative comments made to City Administrator Mike Story.

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Gabriel Garcia, 1464 N. Chestnut Ave., Rialto expressed his support to the firefighters and expressed his concern regarding layoffs.

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ORAL COMMUNICATIONS

Steve May, Rialto Professional Firefighters 3688 Local, expressed his concern that they bargained in good faith. He expressed his concern regarding layoffs.

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Jake Ploehn, Rialto Firefighter, expressed his concern regarding his layoff.

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Nash Briones, President of Rialto Professional Firefighters Local 3688, expressed his concern regarding firefighter layoffs. He read a letter of support from Barbara Farned – Complete Health Store.

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Mayor Pro Tem Scott read a letter of support regarding the budget recommendations presented by the City Administrator by resident Greta Hodges.

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City Council Comments

Council Member Baca Jr. expressed his gratitude to all those who came out and expressed support. He takes offense to Union bashing. A union's intent is to protect workers' rights. He continues to support organized labor. He thinks the employees do an outstanding job in the community. Things were said that are not necessarily what people really mean. They are angry, upset and they vent. There wasn't any intent or anger towards City Administrator Mike Story as a person but a disagreement with the policy. The biggest thing that concerns him is laying people off. It's difficult times and they have families to feed. He believes they will get through this. They need to do everything they can to protect their employees. He asks that they continue to negotiate with the bargaining unit and he will not be voting for this budget.

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Council Member Palmer stated that he appreciates everyone for coming out tonight. He is in a unique position as a Council Member because his son is also a Police Officer in Rialto. They take what everybody says into consideration. For those who said that the Mayor Pro Tem has got to man up is a misstatement. He and Mayor Pro Tem Scott have agreed to meet with Firefighters Union without attorneys involved. He will be voting for the budget tonight based on the fact they are continuing their negotiations. In the 2 ½ years he sat on Council they have made great progress in the City. He stated he is not afraid to drive down Foothill Blvd., he took offense to that comment. There are issues that need to be discussed and they are willing to sit down and speak.

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OLD BUSINESS

TAB 1 – Second Year of a Two-Year Budget for Fiscal Years 2011/2012

Council Member Robertson stated that they sit and listen to everyone. They all deal with a situation where something is going to have to change when they are all being affected and impacted. She has had the police come and assist her when her home was burglarized. She hasn't had to have the Fire Dept. come to assist her yet but would hope and expect that if that day ever came that she could look to them and expect to be provided a level of service. She is trying to keep herself gainfully employed so that she can pay her property taxes and Utility tax and any other assessment that helps to keep things going on and forward in this community. The reality is what was presented and she applauds the staff for all their efforts. Services and supplies are not just paper and paper clips but services for landscaping. There are various contract services and they have already asked all their vendors to give back 10% on their services. The presentation was where they are now if they can get the concessions. The conversations haven't stopped the negotiations are still ongoing. They need to get the concessions from all the bargaining units. They are asking them to pay their part of their retirement. The City has always been paying it. She stated that she had to do a 15% reduction in her State job. They are all doing what they need to do. One thing she is concerned about in this budget is that health and safety is important. This is why for her police and fire is important, but so is public works and maintenance, the people who have to take care of the roads and clean up stuff. This whole discussion is not just about the Fire Dept. 74% of the budget is personnel. 72% of that is police and fire. They are not doing any smoke and mirrors and they are not just trying to throw up some numbers. People are questioning the salaries and its public information. Not too long ago that had to deal with the water issue. Everyone is telling them what not to do. Come up with some solutions. She is prepared to vote on this budget because they can't keep kicking the can down the road.

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Mayor Pro Tem Scott asked how much mutual aid does the City gets from the City of San Bernardino and the County of San Bernardino. That ignited a little fire in him because as a resident of the City, he really resented when there is a fire in his neighborhood in South Rialto and the County of San Bernardino shows up. He has a problem with that and if that is what is going on in other parts of the City; then City Council needs to know that. Secondly, a question he has been trying to understand is, frozen positions, laid off positions and substituting overtime for those and which is more cost effective. For a short period of time? For a long period of time? What is it? He has asked this for two days and he hasn't received a straight answer from anybody. He wants that answer before they sit back at the table.

OLD BUSINESS

TAB 1 – Second Year of a Two-Year Budget for Fiscal Years 2011/2012

Mayor Pro Tem Scott stated that he heard about mandatory overtime and heard about being tired out from working too many hours. The reality is that they need to cut labor or they have to cut overtime. He commended the Rialto Police Dept for the great job they have done with their budget. They are now under budget with overtime. They figured it out and know what they are doing. He appreciates all public safety but the Fire Dept. has had a hard time dealing with overtime and other issues. He is blaming it on the previous Chief who was busy looking for another job in a bigger City. He believes that the current interim Chief has the ability to get them to where they need to be. He and Council Member Palmer both reached out and said they would meet without attorneys to try and resolve this. He was astounded that negotiations blew up because the last meeting he attended was a great meeting and everyone seemed to understand on both sides of the table. That is the reason tonight that he asked Mr. Story to have no more labor meetings without the Council Committee present. He is tired of hearing about stuff going on behind closed doors that doesn't seem to fit with the agenda and direction of Council. They have a serious issue in this City and he spoke about it when the Water Deal was defeated. He doesn't like to bash unions but they had unions come in from West Virginia and Arizona that bashed the Water Deal that was brought forward to City Council. He warned the City they have serious issue and serious budget crisis looming. Next year they will lose their bond rating and they will not be able to borrow money to pay bills. Borrow money to build anything. It's going to happen if they don't get a hold of this. Mr. May told him to man up but the reality is he is forced to man up. Now he realizes that after meeting with residents yesterday and residents today, that his duty is to the residents of the City. He supports all the unions and will do everything he can do for them to keep their jobs but he has to answer to the community. He was okay with the picketing in front of City Hall but he has an issue with them coming to his place of business. Mayor Pro Tem Scott stated his door has always been open to every employee. There is no reason to affect their families or employees because they have done nothing. The buck stops at City Council and he is going to man up because as of today he doesn't care if he gets re-elected or elected as Mayor in 2012.

Mayor Pro Tem Scott stated he is going to make sure the City does not go into bankruptcy. He will make sure that he works with every labor group in the City to get where they need to be. With the name calling, they have all known Mike Story for a long time. They put him in this position because they knew he knew every employee and the real truth about what is going on and they felt they all could trust him. It was the smartest thing they have done and he has received e-mails and letters from residents. He has more visitors in the last two days than he can imagine. They have been positive about the City Council and what they are doing.

OLD BUSINESS

TAB 1 – Second Year of a Two-Year Budget for Fiscal Years 2011/2012

Mayor Pro Tem Scott stated that no one wants to see anyone laid off. They don't want to see this fester into a war. They want to see the negotiating teams go back to the table and work with them. People getting up in a meeting, throwing chairs and using profanity just isn't the way it should go. He looks forward to hearing from the Fire Dept. in the next 2 days so by Friday they can have a meeting. As to wages and overtime there is some truth to what was said. There was a slide in the Presentation to show the community but asked that it not be shown but it is public record. The top gross earnings for last year were \$251,296 and the low person on the totem pole was \$42,374. Mr. May was right he doesn't make that, he was in the middle. The point is they need to work out a deal and the City solvent and stay out of bankruptcy and move forward. Once they get past the economic hardship that they are in, then they can sit back at the table and work on a new day. For clarification this is not a Resolution to approve any layoffs. It's a Resolution to approve recommendations and continuing negotiations between them and the labor groups.

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City Administrator Story stated that this is correct. The recommendation in there was some workforce reductions within the three bargaining groups. Does City Council want him to withhold any further action with the layoffs in all the bargaining groups? Otherwise it was built in the budget moving forward did include those particular aspects.

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Mayor Pro Tem Scott stated if City Council will be in agreement, he asks that they delay layoffs for a limited period of time until they can negotiate with Fire Dept. and other labor groups. He would be willing to say 30 days.

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Council Member Baca Jr. stated that he would like to make a motion to rescind the layoff notices until further negotiations.

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City Administrator Story stated that rescinding would mean they go off the board. He thinks they still stay in place but delay the implementation of them. They are still there until he gets direction to move forward. Rescinding them now will stop the action.

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Council Member Robertson stated that every time they have a hard issue to deal with they are skirting around it. She will be honest, she is not happy with adopting a budget that puts in \$4million out of reserves to deal with the deficit to deal with the enhanced retirement that she didn't vote for.

OLD BUSINESS

TAB 1 – Second Year of a Two-Year Budget for Fiscal Years 2011/2012

Council Member Robertson stated she doesn't want to delay and wait to see what the situation is and this is rolled into Christmas. They have already said they are committed to sitting at the table from now until Friday to see what they can do to resolve it. They will not meet again until October and this is what Department Heads have took and put in the time. Either they support the Department Heads who will be impacted by losing staff or they don't. They have to make hard decisions as well. She listens to citizens, she sees all the time who are here at community events like the Family Festival. People have told her to not even have a Birthday Celebration, which is not being paid from the General Fund. They are raising the money. She heard people say put off doing the Walk of Fame Stars but the citizens are paying for them. This action is to make sure they sit down and get around to making some decisions. She is not supporting that they delay implementation by 30 days. Then this will put them at the end of October. She thinks they can resolve it and thinks they can come to the table. They are talking about concessions where the employees will pay their share of their retirement.

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Mayor Pro Tem Scott stated that he too is not in favor of rescinding the layoff notices. He is in favor of a stand down on layoffs for a few days until they have had time to meet with Fire and the other labor groups and try to reach some decisions. The reality of those layoffs in general are going to move forward.

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City Administrator Story stated he agrees otherwise it will throw off the numbers that Department Heads have projected if they forego the other two bargaining groups.

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Council Member Robertson stated one of the things that didn't get mentioned in the course of the presentation but they are looking at the fact that they have some employees that will retire. They are looking at proposing to offer the third round of the incentive so as people choose to move and retire that frees up space and lessens the impact on the layoffs. Even if they backfill positions at a lower level. Every time they delay or defer the action then they can't get there. They have approximately 11 potential retirees and six have indicated yes they would take the incentive before December 31st. They need to move on this one way or another. If the rest of City Council elect to delay then it's on them but she is not going to vote to put it off so they can only still wonder where they are in two weeks. Anything they can get accomplished will minimize the impact to the bottom line.

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OLD BUSINESS

TAB 1 – Second Year of a Two-Year Budget for Fiscal Years 2011/2012

Council Member Palmer stated that he agrees with Council Member Robertson. They have already committed to Fire to sit down and talk with them this week. If concession are reached then they impact the layoffs for Fire depending on the dollar amount. They are beating a dead horse and the budget is here and ready to go. He is going to move for approval.

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Mayor Pro Tem Scott stated that they have a motion on the floor from Council Member Baca Jr. Hearing no second motion fails.

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Motion by Council Member Palmer, second by Council Member Robertson and carried by a 3-1 vote to adopt **Resolution No. 6054**, **RUA Resolution No. 09-11**, **RHA Resolution No. 0008-11**, **RDA Resolution No. 743** approving the Budget Plan for the Second Year of the Two-Year Budget for Fiscal Years 2011/2012 and **Resolution No. 6055** approving authorized budgeted positions. Council Member Baca Jr. voted No. Mayor Vargas was absent.

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ORAL COMMUNICATIONS

Dustin Fujiwara, Rialto Firefighter stated that he was injured on August 25, 2010. He was lifting a 240 lb. man flaccid, temperature of 106 and he popped his back. Two discs were blown and his back was unstable. He went to a doctor who said he was fine and he didn't agree with him. He was assigned to that doctor by the City and he trusted the City. He had the right to a second opinion on an injury and requested his own doctor and it took him 80 days to get a second opinion. How much overtime is that? He finally got that second opinion and the doctor said he had spinalothesis two broken discs and took until July 2011 to finally have surgery. He stated they need to look at the Workers Compensation Insurance Adjuster who is drawing every case out and denying everything she can to slow things down because they get money and bonuses the longer they have the City on the hook. He is trying to save the City money. They need to get rid of Corvel or investigate and audit. He is going to hit 1½ years out of work and that is the overtime budget.

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Mayor Pro Tem Scott stated that Fire had made a proposal and they are looking at that. They will expedite into looking at that.

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Council Member Palmer stated that he doesn't disagree with the Firefighter on that. When his son, a Police Officer, was injured. He had his shoulder dislocated and without him pleading to the City to get him an MRI it was still months before he got one.

OLD BUSINESS

TAB 1 – Second Year of a Two-Year Budget for Fiscal Years 2011/2012

Council Member Palmer stated he has had his surgery and back at work but he did bring that up at that time they need to look into who handles the Workers Comp Claims and get things process quick to get them back to work.

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Dustin Fujiwara, Rialto Firefighter stated he documented everything and has a timetable that he can send to City Council.

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Mayor Pro Tem Scott stated that they will have a discussion about it when they meet with the Board.

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NEW BUSINESS

TAB 2 – 2010 Federal Assistance - Firefighter Grant for purchase of new Type 1 Technical Rescue Vehicle

Interim Fire Chief Ballard stated that the Fire Dept. has a 1982 Budweiser Delivery Truck that they use as a rescue vehicle. They got it out of surplus many years ago and it's presently not operative. It's more costly to repair than its value. The Fire Dept. has applied for and received a Federal Assistance to Firefighter Grant in the amount of \$400,000 towards the purchase of a new Type 1 Technical Rescue Vehicle. The grant requires a \$100,000 match by the City. The grant is based on the Fire Dept. taking delivery and putting the vehicle in service by January 11, 2012. The Fire Dept. has identified a vehicle from Pierce that was built to general specifications that they are using to demo in shows on the East coast. This will meet the city's needs and get it in the timeframe required. The Fire Dept. doesn't have necessary money budgeted to allow for the purchase but they are making concerted effort to raise necessary matching funds from the businesses in the community who could possibly benefit from the response capabilities of the new rescue vehicle. Because of the time limits on accepting the grant and the availability of the vehicle that would meet the needs of the City of Rialto, they must commit to the purchase of the vehicle immediately. If they cannot secure delivery of the rescue vehicle at this time they will have to turn down the \$400,000 grant. The Fire Dept. is requesting to City Council to approve a \$100,000 transfer from the funds of the CIP reserve to allow for the purchase order to be immediately issued. The Fire Dept. will continue to raise money to be placed in a special deposit account, which is tax-exempt allowing those that contribute towards the vehicle a tax deduction. The rescue vehicle will be crossed staffed with existing already trained fire personnel. It will respond to structure collapse, confined space rescue, trench rescue, earthquakes and other natural and man-made disasters.

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NEW BUSINESS

TAB 2 – 2010 Federal Assistance - Firefighter Grant for purchase of new Type 1 Technical Rescue Vehicle

Council Member Palmer stated that he thinks it's something they need. It's hard to turn down \$400,000. The question is the \$100,000. He appreciates the firefighters willingness to at least do fundraisers to pay that back. He's assuming two weeks worth of overtime would do that.

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Council Member Robertson stated that she too would not want to be pennywise and a pound foolish by not figuring out a way to at least secure the vehicle. They are coming up on the next California Great Shake Out in October. She would hope that residents are planning for in the event of an emergency. Other than just praying and hoping for the money, she understands the situation. Having a conversation with the Public Works Director because the money come from the CIP, he had informed her that they will be doing the Construction Management on a project in-house and thereby saving the City substantial dollars. She said this is where they will get the \$100,000. She is in support of this. The situation they are currently in, they don't plan to be in forever. She asked about funding from Homeland Security? With the tank farms and the concerns they have to deal with the possibility of attacks or activity down there.

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Interim Fire Chief Ballard stated that they have spent time with crews at the tank farms. They have a Homeland Security Grant funded training exercise in the process. They were doing preps for that drill today. The drill will happen in October. They pursue as many grants as they can and they will be pursuing a SAFER Grant to replace firefighters since they have a browned out fire engine at this time. The grant would have the Federal Government paying to re-staff that vehicle for a couple of years. The down side is that they are supposed to keep it staffed after two years. They will to talk about that.

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Council Member Robertson stated that they have reduced capital from 15% to 1% but she thinks they have funds in the Capital Improvement Program.

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Mayor Pro Tem Scott asked if this comes out of Fire's CIP?

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Council Member Robertson stated it's the City's CIP.

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NEW BUSINESS

TAB 2 – 2010 Federal Assistance - Firefighter Grant for purchase of new Type 1 Technical Rescue Vehicle

Mayor Pro Tem Scott stated which is not General Fund money? He doesn't want any misunderstanding that they are buying a new truck and laying off employees.

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Council Member Baca Jr. stated that it's simple to him. They are receiving \$400,000 to get a nice vehicle. Let's not lose the \$400,000. He is confident that the Fire Dept. will raise the \$100,000.

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Motion by Council Member Baca Jr., second by Council Member Robertson and carried by a 4-0 vote to adopt **Resolution No. 6056** accepting the 2010 Federal Assistance to Firefighter Grant (AFG) in the amount of \$400,000, approve matching funds in the amount of \$100,000, for the purchase of a new Type 1 Technical Rescue Vehicle in the amount of \$500,000. Mayor Vargas was absent.

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TAB 3 – Street Marking Paint Supplies

Ahmad Ansari, Director of Public Works/City Engineer stated this is a request to award a Street Marking Paint Supplies contract to American Traffic Products. To keep the streets safe, Public Works re-stripes all the city streets on an annual basis, which includes centerlines, lane lines and crosswalks and stop bars. Request for bids for street marking paint supplies were solicited through a competitive bid process and sent out to 21 suppliers. The lowest bidder was American Traffic Products in the amount of \$38,790.37. Funds are budgeted in the Gas Tax Fund for purchase of these supplies.

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Motion by Council Member Baca Jr., second by Council Member Robertson and carried by a 4-0 vote to authorize the purchase and installation of a Variable Frequency Drive Pump Control System for the Tom Sawyer Swimming Pool Water Circulation and Filtration System in the amount of \$21,105.69. Mayor Vargas was absent.

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Ahmad Ansari, Director of Public Works/City Engineer stated this is request for City Council to authorize the purchase and installation of a Variable Frequency Drive Pump Control System VFD for the Tom Sawyer swimming pool water circulation and filtration system. This is another effort to upgrade a city facility to a more energy efficient products.

NEW BUSINESS

TAB 4 – Installation of a Variable Frequency Drive Pump Control System

Ahmad Ansari, Director of Public Works/City Engineer stated they did an analysis on this pool using software from the Dept. of Energy called the RSPEC. The analysis yielded that using this VFD pump would reduce the energy consumption at this pool by 44%. this would a savings of \$9,000 a year. The lowest responsive bid of the \$21,105.69 came from Knorr Systems. This company completed many similar projects for the city over the past 20 years with excellent results. The funds are budgeted in the General Fund account for this purpose of the VFD pump.

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Council Member Palmer stated this is a brilliant idea he brought up two years ago. Why did it take so long?

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Motion by Council Member Palmer, second by Council Member Robertson and carried by a 4-0 vote to authorize the purchase and installation of a Variable Frequency Drive Pump Control System for the Tom Sawyer Swimming Pool Water Circulation and Filtration System in the amount of \$21,105.69. Mayor Vargas was absent.

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TAB 5 – Materials Contract for Industrial Water Supplies

Ahmad Ansari, Director of Public Works/City Engineer stated this is a request to award a Materials Contract for Industrial Water Supplies. In order to keep the water system safe and operable the staff maintains and operates the system to serve a little under 12,000 customers. The system includes mains, service connections, fire hydrants, well sites, booster stations and reservoirs. The maintenance of the whole system requires many supplies to make it efficiently operable. Bids were sent to 69 suppliers, they received bids from 4 suppliers. The lowest responsive bid of \$132,198.48 came from HD Supply. Funds are budgeted in the Water Fund for the purchase of these water supplies.

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Council Member Robertson stated that the bottom two bidders seem to be closer than the person who is furthest away. She doesn't know what is going on it would seem like somebody providing resources would be able to bid it more competitively.

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Mayor Pro Tem Scott stated that the pump at Well No. 3 went out yesterday. Why don't they have a spare pump available for replacement? His concern is water supply to the City could be jeopardized by not being able to replace a pump quickly.

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NEW BUSINESS

TAB 5 – Materials Contract for Industrial Water Supplies

Ahmad Ansari, Director of Public Works/City Engineer stated his initial report was that it was a unit pump. They should have supply parts available.

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Motion by Council Member Robertson, second by Council Member Palmer and carried by a 4-0 vote to award a Materials Contract to HD Supply for Industrial Water Supplies in the amount of \$132,198.48. Mayor Vargas was absent.

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Council Member Baca left the dais at 9:05 p.m. and returned at 9:08 p.m.

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TAB 6 – Change Order for additional roadway pavement

Ahmad Ansari, Director of Public Works/City Engineer stated this is a request for the Redevelopment Agency to authorize SANBAG Change Order with CC Myers who is the contractor at the Riverside/I-10 Bridge and authorize the deposit of funds into the Riverside/I-10 Interchange Escrow Account. This will be used by SANBAG to be able to have CC Myers to additional pavement near the interchange. The bridge project is making excellent progress and close to completion. There is some additional roadway pavement that was not originally part of the project. During the course of the construction and heavy equipment going in and out has made the roadway worse. Specifically at Valley and Riverside Ave. intersection. There is also 100 feet into Valley in each direction and some smaller areas south of the bridge that they are thinking of adding to CC Myers. SANBAG negotiated a change order with CC Myer in the amount of \$177,096 for this additional work. To make sure everything was in line, staff checked with the current contractor who is doing the overlay throughout the City but they came in much higher. This is reasonable and they should move forward with CC Myer. All the work will be done in advance of the Centennial Celebration. They are currently working with SANBAG and City Clerk's Office for the Ribbon Cutting. Funds are available and budgeted in the 2005 Series A RDA Bond in the amount of \$177,100.

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Council Member Baca Jr. commended Public Works staff on the great job of the repaving of Baseline Rd.

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Council Member Robertson stated that she is happy that they are going to deposit the money. Will CC Myers do the work or will they subcontract?

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NEW BUSINESS

TAB 6 – Change Order for additional roadway pavement

Ahmad Ansari, Director of Public Works/City Engineer stated most likely it will be their subcontractor to do the paving.

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Council Member Robertson stated before they have them finish it, have they checked to make sure they will not need to cut the road for anyone else who needs to run a line. She is thinking about Valley Blvd. with the construction of the new school. Are they looking or needing to bring a line from the treatment plant to provide gray water to them at some point?

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Ahmad Ansari, Director of Public Works/City Engineer stated excellent point. Stated that they are only going up 100 feet each direction, which is a small area. However, it's part of the process to make sure there are no imminent digging.

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Mayor Pro Tem Scott stated that he found out that the tile work on the freeway overpass is not going to be done until the landscaping is done. What is the schedule on the landscaping and how does that relate to landscaping?

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Ahmad Ansari, Director of Public Works/City Engineer stated that the information that he received from SANBAG was that they were running out of contingency and money on the bridge project. The contractor is going to be earning every incentive that is designed for that project to finish it on time. The tiles when they originally redesigned through the Caltrans process and SANBAG, when they asked for a price from CC Myers in was somewhere around \$400,000. Both he and SANBAG team and Caltrans team felt it was way too expensive. There were two options, one to do something similar to tiles such as imprints and decorations, integrated colors.

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Mayor Pro Tem Scott stated that City Council approved something and they expect SANBAG to build it. No other options have been brought to City Council.

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Ahmad Ansari, Director of Public Works/City Engineer stated so it was postponed to the landscape to assure to get a better price.

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Mayor Pro Tem Scott stated this is why he is bother by this because this is the same old trick that SANBAG does. They say they are out of money so they are going do painted concrete. He wants the tile work done.

NEW BUSINESS

TAB 6 – Change Order for additional roadway pavement

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Ahmad Ansari, Director of Public Works/City Engineer stated to keep in mind that SANBAG saved a lot of money on this project. They worked hard to lower the giveaway money from \$5 million to \$4 million.

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Mayor Pro Tem Scott stated that City Council expects tile work to go in and he doesn't care what the price for it is. SANBAG agreed to do it. To hold it off until landscaping is done is like buying a fire truck with no seats. They expect a finished product not a half-finished product.

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Ahmad Ansari, Director of Public Works/City Engineer stated that the landscaping will follow quickly right after the project.

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Council Member Palmer stated since they are talking about the bridge. He remembers the pictures that were approved.

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Ahmad Ansari, Director of Public Works/City Engineer stated it will be the same.

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Council Member Robertson stated sometimes things are moved around for efficiencies but at the time they talked about approving the project and the project they saw was a completed bridge with all of its amenities. They then approved a subsequent landscape plan that didn't say the landscape plan would be when they would see the bridge façade. They need to figure out who they are going to pay to put the tile in for the opening of the bridge.

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Ahmad Ansari, Director of Public Works/City Engineer stated that he heard Council's message loud and clear and he will work to make sure everything happens and happens soon.

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Mayor Pro Tem Scott stated if it doesn't happen then it's not going to happen. This is what worries him. Once again Rialto is the stepchild to SANBAG.

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NEW BUSINESS

TAB 6 – Change Order for additional roadway pavement

Motion by Council Member Palmer, second by Council Member Baca Jr. and carried by a 4-0 vote authorize the Change Order with CC Myers, Inc. and the Deposit of Funds in the amount of \$177,096 into the Riverside/I-10 Interchange Escrow Account for the use by SANBAG to perform the additional roadway pavement near the Riverside/I-10 Bridge. Mayor Vargas was absent.

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Council Member Palmer left the dais at 9:10 pm and returned at 9:13 pm

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TAB 7 – Transfer Tax Increment Agreement – electing City of Rialto as the successor agency

Robb Steel, Economic Development Director stated that TAB 7 and 8 are related and tied to the Bills that proposed to eliminate Redevelopment. ABX126 eliminates the Redevelopment Agency and required them to dispose of all assets. ABX127 allowed them to go back into business provided that they agreed to make a ransom payment to the State. At the moment the Supreme Court as ordered a Stay on both those Bills so they can't enter into any contracts or new business unless it's part of a previously approved agreement. Nevertheless, they are obligated to submit to the State if ABX126 survives and they have to go out of business. In the Staff Report lists all of RDA financial obligations. The City would serve as the successor agency and wind down the operations. They hope this never takes place but they are obligated to submit paperwork to the State by October 1st. If they do go back in business in January, after the Supreme Court decision, the City is obligated to make a \$6 million payment to the State this year and a \$1.4 million next year escalating each year thereafter until the project areas expire. The Agency is agreeing to reimburse the City from Low/Mod Funds if the City does in fact make those payments this year and future years. The agreements are essentially put in place so they can put them on their statement of indebtedness to allow them to collect property taxes to repay those obligations. Assuming that they are put back in business there will be no cost to the City. Presumably, they will collect more than tax increment and forfeit to the City so it will make sense for the Agency to make the payment to the City as well.

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Motion by Council Member Robertson, second by Council Member Baca Jr. and carried by a 4-0 vote to adopt **Resolution No. 6057** and **RDA Resolution No. 744** approving a Transfer Tax Increment Agreement between the Redevelopment Agency and the City of Rialto, electing the City of Rialto to serve as the successor agency and accepting the initial recognized Obligation Payment Schedule as required under ABX1 26/27. Mayor Vargas was absent.

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NEW BUSINESS

TAB 8 – Administrative expenses payment/reimbursement for existing and future Agency Administrative Support Services

Robb Steel, Economic Development Director stated this is essentially the same thing but it deals with the administrative costs. They want to be able to put all of the their future administrative costs for running the Agency on the Statement of Indebtness so they can claim tax increment. They have set up so this Statement of Indebtness becomes the benchmark and any debt they have in the future they have to add an new pass through payment to the School District. It's real important to include all the potential expenditures they could possibly incur through the life the Redevelopment Plan. The City advances their funding every year for administrative costs and they reimburse them monthly, quarterly or annually. They estimated it at \$97million as a loan that is repaid by the Agency to the City. The purpose is to preserve more money for the Agency if they are authorized not having to allocate it to the School Districts.

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Motion by Council Member Robertson, second by Council Member Baca Jr. and carried by a 4-0 vote to approve the Agreement between the Redevelopment Agency and the City of Rialto for Administrative Expenses Payment/Reimbursement for existing and future Agency Administrative Support Services. Mayor Vargas was absent.

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ORAL COMMUNICATIONS

June Hayes, P.O. Box 2395, stated that they will be starting 3 weeks of commissioning testing on Monday at the Wastewater Treatment Plant.

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REPORTS

Council Member Palmer stated that they had approved accepting the Grant for the P.D. PRIDE Platoon. Another one is in session as they speak with 50+ kids involved. He commended the Police Department for all their hard work and changing the lives of the kids in the City of Rialto.

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Council Member Baca Jr. commended the Police Department for their work with the PRIDE Platoon. He recommended to call the police department if there are at risk kids that are interested.

He didn't attend the Family Festival because he attended another event that day. In the Rialto Record there was a picture of the Rialto High School Cheerleaders. He is real proud of one of his students Grace Rodriguez to see her involved in the community.

He stated that TELACU 2 on Foothill Blvd. is looking real good that will provide opportunities for seniors who need affordable housing. It's given Foothill Blvd. a facelift.

REPORTS

Council Member Baca Jr. stated that last weekend he had the opportunity to provide a free basketball camp at Cal State San Bernardino. A lot of Johnson Center kids participated.

He wants to make sure that the Police Dept. takes a potential look on how the early release of parolees could impact the City of Rialto and making sure they are addressing those issues and making sure they are not coming back and victimizing residents.

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Council Member Robertson stated in regards to the early release of parolees and restructuring of the correctional facilities. This was a Resolution presented at League of California Cities Conference. She met a new Council Member from the City of Del Mar and he was wondering if there was any value to coming to conferences. She explained to him that conferences are valuable to the City of Rialto because they can't send everyone (staff) to conferences. There was a tremendous turnout of exhibitors and things available she would like to share with Public Works and other departments. The local electeds spend time looking at resolutions at taking resolutions that help to support the City's efforts. The one regarding the parolees is one they need to look at with the State to work with them and request the money. Recognizing that the release is going to impact the communities but the money that is being provided to transfer and move prisoners from the facilities to the cities is not funded. They spend a lot of time as an Association trying to address things by the legislation that are unfunded mandates. They transfer it to the cities and expect them to absorb it and yet they continue to take money from the cities at every opportunity.

She stated that the Family Festival was great with a great turnout. She commended the City Clerk and staff for all of their efforts.

She wished Recreation Commissioner Frances Brooks well. She was visiting relatives back east where she suffered a stroke. Her understanding is that Ms. Brooks has returned and is at Kaiser Fontana.

She stated that the next Centennial Committee Meeting is scheduled for tomorrow September 28th.

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Mayor Pro Tem Scott asked that Mr. Story look into the service at the Finance Dept. on the day that bills are due where people try to pay them because they don't want to pay the late fee. Yesterday there was 20-30 people all day long. Some of those people came to him today and complain. Some waited as long as 20 minutes to pay their bill. Even though they are short on staff he thinks this is unreasonable and thinks management should come to the window and help take payment. This needs to be corrected.

REPORTS

Council Member Robertson said to include answering the phones in Finance.

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Mayor Pro Tem Scott stated that he attended the League of California Cities but spent most of the time in mediation regarding the perchlorate issue. Things are starting to look good. He is a little concerned with this own health because he is starting to like lawyers.

He appreciates the demeanor and professionalism of everyone that came tonight to speak. They spoke their mind but didn't get carried away. They are headed for some tough times and it's emotional. They all have friends in every department and they don't want to see people go. They will continue to work hard to balance the budget.

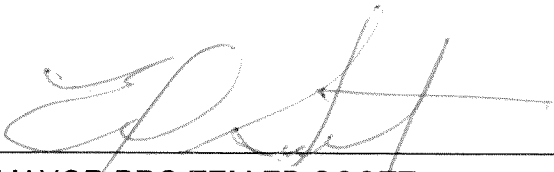
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ADJOURNMENT

Motion by Council Member Baca Jr., second Council Member Robertson and carried by a 4-0 vote to adjourn the City Council Meeting. Mayor Vargas was absent.

The City Council adjourned at 9:25 p.m.

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MAYOR PRO TEM ED SCOTT

ATTEST:

CITY CLERK BARBARA A. McGEE